

ASSUMPTION AGREEMENT, dated as of June 1, 1972 among CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY, a Delaware corporation (hereinafter called the "Railroad"), THE FIRST PENNSYLVANIA BANKING AND TRUST COMPANY, as Agent under a Finance Agreement dated as of February 1, 1972 (hereinafter called the "Vendor"), BANKERS TRUST COMPANY, as Trustee (said Trustee being hereinafter called the "Trustee") under a Trust Agreement dated as of January 12, 1972 as amended by an amendment thereto dated as of February 1, 1972, with CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, as beneficiary (hereinafter called the "Bank") and CHICAGO AND NORTH WESTERN RAILWAY COMPANY, a Wisconsin corporation (hereinafter called the "North Western")

WITNESSETH:

WHEREAS, the Vendor and the North Western entered into a Finance Agreement dated as of February 1, 1972 (hereinafter called the "Finance Agreement") with various Investors named therein; and

WHEREAS, Trustee, Vendor and the North Western entered into a Reconstruction and Conditional Sale Agreement dated as of February 1, 1972 (hereinafter called the "Conditional Sale Agreement") wherein the Vendor agreed to sell its security title to forty five reconstructed diesel locomotives (hereinafter called the "Units") to the Trustee and the North Western agreed to perform the reconstruction of the Units and to guarantee the obligations of the Trustee under the Conditional Sale Agreement; and

WHEREAS, under the terms of a Lease of Railroad Equipment, dated as of February 1, 1972 (hereinafter called the "Lease"), between the Trustee and the North Western, the Trustee leased the Units to the North Western for a term of years terminating on November 1, 1984; and

WHEREAS, the Conditional Sale Agreement and the Lease were filed and recorded with the Interstate Commerce Commission pursuant to Section 20c of the Interstate Commerce Act on May 12, 1972 under Recordation Nos. 6593 and 6593-A, respectively; and

WHEREAS, pursuant to authority and approval granted by the Interstate Commerce Commission in an order dated April 28, 1972 in Finance Docket Nos. 26371 and 26372, the North Western sold substantially all of its lines of railroad, effective June 1, 1972, to the Railroad in conformity with applicable law (hereinafter called the "Sale"); and

6593-B
RECORDATION NO. 6593-B Recorded

JUN 26 1972

INTERSTATE COMMERCE COMMISSION

WHEREAS, under the terms of the Sale, all the rights and interests of the North Western under the Finance Agreement, the Conditional Sale Agreement and the Lease were transferred to the Railroad and the Railroad assumed the obligations, duties and liabilities of the North Western under the Finance Agreement, the Conditional Sale Agreement and the Lease; and

WHEREAS, the Railroad intends by means of this Assumption Agreement to comply with the provisions of Paragraph 16 of the Finance Agreement by assuming all the obligations of the North Western under the Finance Agreement and seeks acknowledgement by the Vendor that the substance and form of this Assumption Agreement are satisfactory and in accordance with Paragraph 16 of the Finance Agreement; and

WHEREAS, the Railroad intends by means of this Assumption Agreement to comply with the provisions of Article 14 of the Conditional Sale Agreement by assuming all the obligations of the North Western under the Conditional Sale Agreement and seeks acknowledgement by the Trustee and the Vendor that the substance and form of this Assumption Agreement are satisfactory and in accordance with Article 14 of the Conditional Sale Agreement; and

WHEREAS, the Railroad intends by means of this Assumption Agreement to comply with the provisions of Section 19 of the Lease by assuming all the obligations of the North Western under the Lease and seeks acknowledgement by the Trustee, in its capacity as Lessor, and the Vendor that the substance and form of this Assumption Agreement are satisfactory and in accordance with Section 19 of the Lease.

NOW, THEREFORE, in consideration of the premises and of the mutual promises hereafter set forth, it is agreed between the parties hereto that:

1. The Railroad hereby expressly assumes and agrees to perform and abide by all obligations, conditions and covenants and to make all payments on the part of the North Western to be kept, performed or made under the Finance Agreement, the Conditional Sale Agreement and the Lease to the same extent as though the Railroad had been named therein in place of the North Western and had itself signed, executed and delivered the Finance Agreement, the Conditional Sale Agreement and the Lease, provided that such assumption by the Railroad shall not release or discharge the North Western as an obligor on the Finance Agreement, the Conditional Sale Agreement or the Lease and the North Western shall continue to remain liable in respect of all such obligations, conditions, covenants and payments.

2. The Vendor hereby acknowledges that this Assumption Agreement is an appropriate instrument satisfactory in substance and form, in accordance with paragraph 16 of the Finance Agreement and in accordance with Article 14 of the Conditional Sale Agreement and in accordance with Section 19 of the Lease.

3. The Trustee hereby acknowledges that this Assumption Agreement is an appropriate instrument satisfactory in substance and form, in accordance with Article 14 of the Conditional Sale Agreement and in accordance with Section 19 of the Lease.

4. The North Western acknowledges that the Railroad may sign such documents as required by the Finance Agreement, the Conditional Sale Agreement and the Lease and that execution by the Railroad of such documents would obligate the North Western to the same extent as if the North Western had itself executed such documents.

5. The Railroad will promptly cause this Assumption Agreement to be filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act.

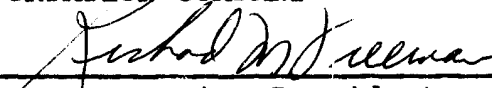
6. The Finance Agreement, the Conditional Sale Agreement and the Lease, and all the terms and provisions thereof, except as modified by this Assumption Agreement, shall continue in full force and effect.

7. This Assumption Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument, which shall be sufficiently evidenced by any such counterpart.


IN WITNESS WHEREOF, the parties hereto have caused this Assumption Agreement to be duly executed as of the date first above written.

CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY

By

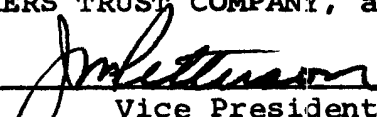

Vice President

ATTEST:



Assistant Secretary

BANKERS TRUST COMPANY, as Trustee

BY


Vice President

ATTEST:


Assistant Secretary

THE FIRST PENNSYLVANIA BANKING AND
TRUST COMPANY, as Agent

By

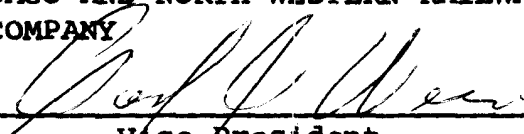

Vice President

ATTEST:


Assistant Secretary

CHICAGO AND NORTH WESTERN RAILWAY
COMPANY

By


Vice President

ATTEST:


Assistant Secretary


STATE OF ILLINOIS)
) SS:
COUNTY OF C O O K)

I, *D. J. WALSH* a Notary
Public duly commissioned and qualified in and for the County
and State aforesaid and residing therein DO HEREBY CERTIFY
that Richard M. Freeman and
E. C. Marquardt, to me personally
known and known to me to be, respectively, a Vice President and
an Assistant Secretary of Chicago and North Western Transportation
Company and the identical persons whose names are subscribed
to the foregoing instrument appeared before me this day in
person, and being first duly sworn by me, severally acknowledged
to me that they are, respectively, a Vice President and an
Assistant Secretary of said corporation; that as such officers
they signed, sealed and delivered said instrument in behalf
of said corporation by authority and order of its Board of
Directors as the free and voluntary act and deed of said
corporation, and as their own free and voluntary act; that they
know the seal of said corporation; that the seal affixed to
said instrument is the seal of said corporation; and that
said corporation executed said instrument for the uses and
purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and
affixed my official seal as such Notary Public, at Chicago,
Illinois, this 1st day of June, 1972.

My commission as such Notary Public expires

My Commission Expires July 18, 1975



Notary Public in and for the County of
Cook, in the State of Illinois.

COUNTY OF NEW YORK)

and the identical persons whose names are subscribed to the foregoing instrument appeared before me this day in person, and being first duly sworn by me, severally acknowledged to me that they are, respectively, a Vice President and an Assistant Secretary of said corporation; that as such officers they signed, sealed and delivered said instrument in behalf of said corporation by authority and order of its Board of Directors as the free and voluntary act and deed of said corporation, and as their own free and voluntary act; that they know the seal of said corporation; that the seal affixed to said instrument is the seal of said corporation; and that said corporation executed said instrument for the uses and purposes therein set forth.

, 1972.

My commission as such Notary Public expires

Notary Public in and for the County of
New York, in the State of New York

Conflicts in the New York County
Commission Expires March 30, 1976

COMMONWEALTH OF PENNSYLVANIA)
) SS
COUNTY OF PHILADELPHIA)

I, Elizabeth J. Sebedra a Notary
Public duly commissioned and qualified in and for the County
and Commonwealth aforesaid and residing therein DO HEREBY
CERTIFY that A. M. Keay
and A. B. Dunning, to me
personally known and known to me to be, respectively, a Vice
President and an Assistant Secretary of The First Pennsylvania
Banking and Trust Company and the identical persons whose names
are subscribed to the foregoing instrument appeared before me
this day in person, and being first duly sworn by me, severally
acknowledged to me that they are, respectively, a Vice President
and an Assistant Secretary of said corporation; that as such of-
ficers they signed, sealed and delivered said instrument in
behalf of said corporation by authority and order of its Board
of Directors as the free and voluntary act and deed of said
corporation, and as their own free and voluntary act; that they
know the seal of said corporation; that the seal affixed to said
instrument is the seal of said corporation; and that said corpo-
ration executed said instrument for the uses and purposes therein
set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and
affixed my official seal as such Notary Public, at Philadelphia
Pennsylvania this 13th day of June, 1972.

My commission as such Notary Public expires

Notary Public, Philadelphia, Philadelphia Co.
My commission expires March 1, 1976

Elizabeth J. Sebedra
Notary Public in and for the County
of Philadelphia, in the Commonwealth
of Pennsylvania

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

I, MARY C. DALEY a Notary
Public duly commissioned and qualified in and for the
County and State aforesaid and residing therein DO HEREBY
CERTIFY that PAUL J. WEIR
and E. A. BROCK, to me
personally known and known to me to be, respectively, a
Vice President and an Assistant Secretary
of Chicago and North Western Railway Company
and the identical persons whose names are subscribed to the
foregoing instrument appeared before me this day in person,
and being first duly sworn by me, severally acknowledged to
me that they are, respectively, a Vice President
and an Assistant Secretary
of said corporation; that as such officers they signed,
sealed and delivered said instrument in behalf of said
corporation by authority and order of its Board of Directors
as the free and voluntary act and deed of said corporation,
and as their own free and voluntary act; that they know the
seal of said corporation; that the seal affixed to said
instrument is the seal of said corporation; and that said
corporation executed said instrument for the uses and purposes
therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and
affixed my official seal as such Notary Public, at Chicago,
Illinois, Cook County this 15th day of June, 1972.

My commission as such Notary Public expires Jan. 31, 1973

Mary C. Daley
Notary Public in and for the County of
Cook, in the State of Illinois